(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) Yes, Sir.

(b) Oil Companies procure ethanol from manufacturers, blend it with petrol at their supply locations and supply it in notified States/UTs which include State of Andhra Pradesh.

(c) to (e) Yes, Sir. All the areas of Andhra Pradesh are expected to be covered with 5% ethanol blended Petrol supplies by 31-12-2003.

(f) and (g) Blending of ethanol with petrol results in increased demand for ethanol from sugar industry. Sugar industry, in turn depends on farmers for procurement of sugarcane. Thus, the farmers are also benefited by this process. But reduction in the price of ethanol blended petrol would depend on the purchase price of ethanol and the import parity price of petrol.

Natural Gas Population Policy

744. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that recently Government have released Natural Gas Population Policy;

(b) if so, the salient features of the proposed policy;

(c) whether Government have any plan to set up a regulator for transmission, distribution, storage, etc.; and

(d) in what manner Government would pool the resources to implement this policy?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) In September, 2003, the Government have released a Draft Policy for the Development of Gas Pipelines Network, inviting comments from various stakeholders.

(b) The salient features of the proposed Policy are as follows:-

(1) All the natural gas pipelines will be laid in accordance with the authorization granted by the regulator.

(2) All trunk pipelines covering more than one State or operating at a pressure more than the notified level will be built/managed by a Company to be notified by the Government and till it is notified by GAIL.

(3) Subject to prior permission of the regulator, any producer of gas will have the right to sell gas within 100 kms. of well head or land fall point to consumers directly and lay the pipeline for this purpose.

(4) All gas pipelines except captive transmission gas pipelines laid for exclusive use of a large consumer will be built on common carrier prinicple.

(5) The pipelines will be used by all players on non-discriminatory basis.

(6) Tariff for the transmission pipeline and/or for the distribution pipelines would be approved by the regulator.

(7) To promote and develop the gas sector, a National Advisory Council will be set up.

(c) Yes, Sir. For setting up a regulatory mechanism for petroleum and natural gas sector, the Government have introduced 'Petroleum Regulatory Board Bill-2002', which is before the Parliament.

(d) The Pipeline Policy will put in place a policy framework which will facilitate the development of natural gas sector in a systematic manner and will encourage investment both from public as well as private sector.

FDI in LNG sector

745. SHRI AMAR SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government had placed LNG sector under General Licence list and have also permitted 100 per cent Foreign Direct Investment, with a view to bridge the gap between demand and supply of natural gas in the country; and

(b) if so, the details of project received for foreign investment in this field and what decision Government had taken thereon?